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SUBJECT: FRENCH MAY SELL MISTRAL CLASS SHIPS TO RUSSIA

Classified By: Political Minister-Counselor Kathy Allegrone, Reasons 1.4(b),(d).

11. (C/NF) Summary: During a series of meetings November 9-12, French MFA officials described the possible sale of a French Mistral-class helicopter carrier ship to Russia, and the licensing of the production of several other such ships in Russia, as a pragmatic economic deal--far from sealed--that could represent an important step in the "normalization" of trade relations between Paris and Moscow. The French downplayed any potential use of the ships by Russia against Georgia, while acknowledging that the ships could allow Russia to increase its projection of power in the region. On the other hand, Georgian Embassy officials noted Tbilisi's frustration with Paris regarding the sale, while a senior Russian diplomat emphasized the political significance of the deal, which would mark Moscow's first purchase abroad of such sensitive military equipment. End summary.

French MFA Cautiously Positive About Sale

12. (C/NF) French MFA Assistant Secretary-equivalent for Continental Europe, Roland Galharague in a meeting with poloffs on November 10, noted that the Mistral sale is still in a very early stage. According to Galharague, the Russians first approached the French about the sale in August 2009, and the French are now waiting for Moscow to provide more details about exactly what they want to purchase. Galharague downplayed the September press comment by Russian Navy Commander-in-Chief Admiral Vladimir Visotsky that a Mistral ship would have allowed Russia's Black Sea Fleet to accomplish its mission during the August 2008 conflict with Georgia "in 40 minutes rather than 26 hours." While he d not deny the possibility that the ships could be used for While he did such a purpose, Galharague emphasized that the possible purchase was more likely part of an overall effort by Moscow to streamline its military and make smart economic choices regarding equipment. He noted that there is still some resistance in Russia to the purchase from those who worry the purchase abroad will negatively impact Russian workers and added that the completion of a sale "will be very complicated." Galharague responded to concerns about possible U.S. technology transfer that France would sell the "structure" of the ships, but "not the full Monty." Comment: If the French were to sell the Mistral ship, it would likely be an "export" version because the Russians would want their own fire control and C2 systems (not French ones.) Although Washington can be fairly sure that there are some components including U.S. technology, the exact composition of those components remains unclear, and requires additional questioning of the French. Such components may not be ITAR-controlled, but even if they are, they might

still be sold. The French fighter, Rafale, for example, contains U.S. ITAR-controlled parts, but the U.Ss has authorized its sale.)

- ¶3. (C/NF) In a meeting earlier that same day, MFA Russia DAS Florence Ferrari and MFA Russia Desk officers Arnaud Migoux and Madeleine Courant differed as to the precise date of the Russians' first approach to the French about the sale.

 Migoux told poloffs that it could have been as early as 2007. Nonetheless, they all cited the October 1 announcement as an official confirmation of French interest in proceeding with the sale. The French officials stated that they were not aware of any plans by the GOF to consult NATO allies or EU members about the sale and had not heard of any Georgian protests or demarches against it. They also appeared unaware that the ships contained U.S. navigation and communication technology. They described Russian Admiral Visotsky's claims about the ships as "exaggerated" and "debatable on the facts."
- 14. (C/NF) Like Galharague, Ferrari and her team described the reasons for the sale as primarily economic. The French, like the Americans, they said, seek to sell weapons in order to help their economy and to create employment. They also argued that the Russians could use the ships for humanitarian missions and in support of other multilateral objectives, rather than exclusively for war although they conceded that possession of these ships would increase the capacity for Russia to project its power abroad. In response to a summary question, "So the Russians will be projecting Russian power with French ships," the French officials nodded, but said nothing.

Georgian Fears Brushed Off by French

15. (C/NF) In another meeting on November 9, Georgian Embassy Political Counselor Gocha Javakhishvili described Franco-Russian political-military relations as one of Georgia's "major preoccupations," and noted, "We are working with France and all our NATO friends to prevent the Mistral sale." Javakhishvili said, however, that French officials have not been forthcoming on the sale and have provided information that turned out to be false or misleading. First, he said, French officials dismissed early reports about a sale of Mistral ships as rumors. Then, the French said talks had not begun, when Le Figaro reported, the following day, that talks were underway. According to Javakhishvili, in some frank exchanges, the French told the Georgians, "If we don't sell these ships to Russia, then the Dutch or Spanish will." Moreover, Javakhishvili claimed the French have demonstrated a stark double standard in their weapons sales. In 2007, Georgia sought to buy corvette model speed boats from France, but the French refused, citing a desire to avoid destabilizing the region. The sale of Mistrals to Russia could have a far more destabilizing effect, Javakhishvili argued. "The Russians want the technology, not just the ships," he said.

Russian Official Calls Sale a "Sign of the Times"

16. (C/NF) Russian Embassy Political Counselor Artem Studennikov confirmed on November 12 that the Russians have expressed their interest in the French Mistral ships and the French are "studying the issue." The French will carefully examine the economics of the deal, he said, but the Russians believe the decision will involve more political than economic calculations. Studennikov emphasized the fact that this is the first time the Russian Government has considered purchasing such significant and sensitive military equipment; they have always preferred to develop their own weapons. "We sell arms, but we don't usually buy them," he noted. Studennikov emphasized that there are financial and political considerations on the Russian side, too. When poloffs asked why the Russians have chosen the French instead of the Dutch or Spanish ships of the same class, Studennikov responded

that the decision was made by the Russian Navy based on their technical evaluations of the various ships available. Overall, he said, the fact that both the French and the Russians are considering this exchange reflects the extent to which "the times have changed."

Comment

17. (C/NF) Comment. At this initial stage, French concerns are clearly focused more on the economics of the deal, rather than the regional implications or potentially destabilizing effect on Georgia and other regions bordering Russia. End Comment.
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